



Financial Assistance Award

DENALI COMMISSION
510 "L" Street, Suite 410
Anchorage, Alaska 99501
(907) 271-1414

Project Number
0025-DC-2001-17

Denali Commission Accounting Code

95670000	FY01 Commission Funding	\$4,500,000
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Total Commission Funding	\$4,500,000
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Funds Available & Apportioned by OMB	CCE
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Recipient Name & Address

State of Alaska
Dept. of Community & Economic Development
Division of Community & Business Development
P.O. Box 110800
Juneau, AK 99811-0800
Phone (907) 465-2500
Fax (907) 465-5863

Cost Share Distribution

	Denali Commission	Local Match	Totals
Community Grants	\$4,500,000	\$450,000	\$4,950,000
Totals	\$4,500,000	\$450,000	\$4,950,000

Authority
112 Stat 1854

Project Title
Community Priorities Program

Award Performance Period
From: April 09, 2001
To: April 08, 2005

This Financial Assistance Award approved by the Federal Co-Chair of the Denali Commission is issued in triplicate and constitutes an obligation of federal funding. By signing the three documents, the Recipient agrees to comply with the Award provisions indicated below and attached. Upon acceptance by the Recipient, two signed Award documents shall be returned to the Federal Co-Chair of the Denali Commission and the Recipient shall retain the third document. If not signed and returned without modification by the Recipient within 30 days of receipt, the Federal Co-Chair may unilaterally terminate this Award.

- ☐ EDA Standard Terms and Conditions Public Works and Implementations Construction Components, dated 3/99
- ☒ Special Award Conditions and Attachments
- ☒ Line Item Budget, per the above cost share distribution.
- ☒ 15 CFR 24, Uniform Admin Requirements for Grants/Cooperative Agreements to State and Local Governments (www.access.gpo.gov/nara/cfr/waisidx_99/15cfr24_99.html)
- ☒ OMB Circular A-87, Cost Principles for State and Local Governments and Indian Tribal Governments (www.whitehouse.gov/OMB/circulars/a087/a087-all.html)
- ☒ OMB Circular A-133, Audits of States, Local Governments and Indian Tribal Governments (www.whitehouse.gov/OMB/circulars/a133/a133.html)
- ☐ 15 CFR, Part 14, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, Other Nonprofit, and Commercial Organizations (www.access.gpo.gov/nara/cfr/waisidx_99/15cfr14_99.html)
- ☐ OMB Circular A-122, Cost Principles for Nonprofit Organizations (www.whitehouse.gov/OMB/circulars/a122/a122.html)
- ☐ OMB Circular A-21, Cost Principles for Educational Institutions (www.whitehouse.gov/OMB/circulars/a021/a021.html)
- ☐ EDA Standard Terms and Conditions Capacity Building Programs
- ☐ Department of Commerce Financial Assistance Standard Terms and Conditions, dated 10/98

Signature of Authorized Official - Denali Commission

Typed Name and Title

Jeffrey B. Staser, Federal Co-Chair

Date

7/23/01

Signature of Authorized Official

Typed Name and Title

Deborah B. Sedwick, Commissioner

Date

8.20.01

Award Conditions to the Financial Assistance Award
Project Number 0025-DC-2001-17
Community Priorities Program (CPP)

PURPOSE: The intent of this award is to provide grants to communities through the State of Alaska Department of Community & Economic Development (DCED) for the purpose of construction-ready fixed infrastructure projects as described in Commission resolution 01-04 and detailed in the attached Program Description. DCED is responsible for managing all aspects of the grant program and will apply and implement all requirements described in the attached Program Description.

Commission funding is intended only for the specified program. In the event there is a balance of funding after the program is completed, the Commission will determine how the excess funds will be allocated.

AWARD PERFORMANCE PERIOD: From April 9, 2001 to April 8, 2005.

FEDERAL SHARE OF CPP COSTS: The total federal funding provided through this financial assistance award is \$4,500,000.

LOCAL SHARE OF CPP COSTS: The aggregate amount of local cash match to be provided is \$450,000. For this local cash match to be met, it is a requirement for each sub-recipient (community) to provide local cash contribution equal to 10% of its sub-recipient grant amount.

OTHER LOCAL COMMITMENT REQUIRED: Because the CPP is not intended as primary source of funding, an applicant (community) must therefore demonstrate that it has the financial capacity to fund one-third (1/3) of its project's cost. The required 10% local cash match can be applied as part of this commitment. The portion in excess of the required 10% cash match is not considered local match and will not be reported as such.

QUARTERLY PERFORMANCE REPORTS: On a quarterly basis (March, June, September, December), DCED shall submit a written performance report either electronically or via US mail to the Commission Project Officer. The reports are due within 30 calendar days of the end of the quarter.

The quarterly performance report shall include the following information: 1) a summary of program development as a whole; 2) brief discussion of each community project status to date, highlighting actual accomplishments, addressing any current problems, unusual developments or delays, and explaining work to be performed during the succeeding period; 3) a spreadsheet showing a budget for each project (community) with a breakdown of costs to distinguish the amount of CPP grant from the 10% local cash

match and the “other” local commitment provided. Additionally, in the same spreadsheet, actual expenditures to date will be reported for each project (community). However, only those expenses that are CPP reimbursable and the amount of local cash match provided will be reported. Expenses relating to “other” local commitment provided will not be monitored or reported.

The following is an example of how the financial aspect of this quarterly report will be presented:

Projects/ Communities	Anticipated Project Amount (Budget Submitted By Community)					Actual Quarterly Expenses (To Be Reported As Part Of The Performance Report)		
	CPP Grant Amount	CPP Local Cash Match	Other Local Commitment Provided	Total Project Amount		CPP Reimbursable	CPP Local Cash Match	Total CPP Reimbursable & CPP Local Cash Match
	(66%)	(10%)	(24%)	(100%)				
Name of Community	200,000	20,000	80,000	300,000		200,000	20,000	220,000

FINAL PERFORMANCE REPORT: The final written performance report should be submitted no later than 90 days from the expiration date of this award, and should include photo documentation of the individual projects. At a minimum, the final performance report should include “before”, “during” and “after” photos, showing (a) the situation before the start of construction, (b) people working on the project, and (c) the finished project. Photo documentation should be supplied in the form of photo quality 3x5 prints and/or print quality electronic photos (digital images).

To compile these photographs, DCED will strongly encourage the sub-recipient grantees (communities) to take pictures of the individual projects in the various stages of construction, as specified in the preceding paragraph, and to identify those photographs for immediate submission to DCED. It is the sole responsibility of the sub-recipient grantees to take and produce the photographs. DCED merely serves as a compiler of the photographs and will not be held liable if any of the sub-recipient grantees fail to comply.

LABOR TYPE, RESIDENCE AND WAGE REPORT: A Labor Type, Residence, and Wage Report shall be submitted to the Commission Project Officer at a minimum of two times annually. At a minimum, these two reports must be on or near August 1st and December 1st each year to correspond with the Alaska construction season. Reports may be submitted more often. A Labor Type, Residence, and Wage Report must include the following information by construction project for any person employed on the construction of that project: position, place of primary residence, first check date, last check date, rate of pay per hour, payroll earnings from inception of project to date.

Personal or confidential information such as Social Security numbers, names of individuals, or other information that would identify an individual should not be included within this report.

To compile the Labor Type, Residence and Wage Reports, DCED will strongly encourage the sub-recipient grantees (communities) to prepare and submit their reports to DCED according to the schedule set by the Denali Commission. It is the sole responsibility of the sub-recipient grantees to comply with this reporting requirement. DCED merely serves as a compiler of such reports and will not be held liable if any of the sub-recipient grantees fail to comply.

FINACIAL STATUS REPORT: DCED shall submit an aggregate financial status report on Standard Form (SF) 269 within 30 days of each anniversary date of this award. The final SF-269 shall be submitted no later than 90 days from the expiration of this award. The SF 269 is an inception-to-date expenditure report that reflects the total amount of federal reimbursable costs and the 10% local cash match provided by sub-recipient grantees (communities).

COST REIMBURSABLE PAYMENT: Cost reimbursable payments are approved under this award. Reimbursements are based on actual expenditures only. Preferably, DCED shall submit a request for reimbursement on Standard Form (SF) 270, along with the quarterly performance report. However, request for reimbursement is not limited on a quarterly basis only. As DCED sees it necessary, a request for reimbursement may be submitted on an as needed basis as well.

The final request for reimbursement shall be submitted no later than 90 days from the expiration of this award. The SF 270 is an inception-to-date expenditure and revenue report which reflects the total amount of federal reimbursable costs, the total amount of federal payments previously requested, and the 10% local cash match provided by sub-recipient grantees (communities).

The Commission Project Officer may review all payments to determine if payments made are justified and supported by appropriate records, invoices and/or other documentation. The Commission Project Officer understands that the sub-recipient grantees will be required to retain and maintain all financial records and/or invoices, and that DCED will reimburse the sub-recipient grantees based on amounts requested by the sub-recipient grantees on their certified financial reports. DCED does not normally require financial records or invoices before reimbursing a sub-recipient grantee. However, if discrepancies are discovered, both the Denali Commission and DCED may request an audit of the sub-recipient grantee's financial records. The Commission reserves the right to prohibit further payments to DCED, at any time, if discrepancies involving Commission funds arise, until such time that the discrepancies are resolved to the satisfaction of the Commission. DCED also reserves the right to prohibit further payments to the sub-recipient grantees until discrepancies are resolved.

PRINCIPAL CONTACTS: The principal contacts for this award are:

Paul McIntosh
Project Officer
Denali Commission
510 "L" Street, Suite 140
Anchorage, AK 99501
(907) 271-1640

Jo Cooper
Program Manager
State of Alaska, DCED
209 Forty Mile Avenue
Fairbanks, AK 99701-3110
(907) 452-4468

OTHER CONSIDERATIONS:

In accordance with the National Environment Policy Act (NEPA) and the National Historic Preservation Act (NHPA), project level review may be required. Potential environmental concerns associated with projects funded under this agreement shall be addressed in consultation with applicable Federal, State, and local authorities.

To the maximum extent feasible, considering applicable laws, DCED shall encourage utilizing local labor and small, minority owned and disadvantaged businesses.

No portion of this award may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74.

Community Priorities Program (CPP)

Program Description

PURPOSE: To provide grants to communities for construction-ready fixed infrastructure projects. The projects must have a high level of community commitment and consensus and be specifically identified as a top priority in the community's development plan. This program support the development of fixed infrastructure, and does not support the acquisition of existing infrastructure assets from other ownership in the community.

ELIGIBLE APPLICANTS: Applicants are limited to:

- (1) A tribal government; or
- (2) A municipal government; and, if both tribal and municipal governments exist in a community and only one governmental entity applies for a CPP grant, that applicant must provide evidence that the other governmental unit endorses the project. This is to ensure commitment and consensus within the community.
- (3) A community based non-profit corporation, if the community has neither a tribal or municipal government. The non-profit corporation must meet DCED's definition of a "community based" non-profit corporation.
- (4) A regional organization, only if the project benefits one or more communities within the sub-region or region. The regional organization must provide evidence that the communities within the region and/or sub-region endorse the project. This is to ensure commitment and consensus among the communities.

Applicants must understand that a community may not have more than one project being funded by the CPP program at the same time. Though it is possible for a community to benefit from more than one CPP funded project. For example, both the community and the region in which that community is located within may have a CPP funded project. This is acceptable.

For any project that has a potential impact beyond one community, the applicant must provide evidence that the other communities endorse the project. Again, this is to ensure commitment and consensus among the communities.

ELIGIBLE PROJECTS: Eligibility is limited to projects that are:

- (1) Construction-ready fixed infrastructure projects. Projects should provide substantial health and safety benefits to the community and/or enhance traditional community values. However, re-purchases and all energy related and health clinic related projects are excluded from this program because funding is available through other federally funded programs.
- (2) Committed to by the community or the communities and a consensus has been reached.

- (3) Identified as a top priority need in the community's development plan. Any community plan that contains the key elements identified in the Community Strategic Plan-Guide and Form prepared by USDA/RD would meet this requirement. The "key elements" identified in the Community Strategic Plan-Guide and Form can generally be described as:
- Description of the community's social, cultural and economic setting
 - An identification of the Values and/or Goals that community residents have identified as important
 - An inventory of the existing community infrastructure
 - An identification of the community's infrastructure needs
 - A record of the public process used to develop the community plan and its adoption by an appropriate local governing body.

PROJECT FUNDING: The maximum allowable CPP funding for any project is \$500,000. The maximum applies even if multiple communities join together as one applicant, or apply as separate applicants, and/or if the project benefits more than one community. Additionally, the applicant must:

- (1) Demonstrate that it has the financial capacity to fund at least one-third (1/3) of the project's cost from other sources; and
- (2) Demonstrate that it is able to provide a cash match of at least ten-percent (10%) of the amount being requested. The cash match may be applied towards the applicant's one-third. Since a project must be construction ready, the applicant may apply costs for alternative analysis and planning efforts as part of the cash match. However, monies received from other federal programs may not be used to meet the 10% cash match requirement for this program.
- (3) Since the CPP funding is intended as "a last resort," the applicant must provide proof that the amount being requested is not available from any other source.
- (4) Demonstrate the long-term financial capability of the project and its ability to fund on a long-term basis, its routine operation, routine maintenance, extraordinary maintenance, equipment replacement, upgrades to technical capacity, and etc.

PROJECT APPLICATION, REVIEW AND APPROVAL: A two-step process will be used to evaluate applications. Initially, applicants will submit a pre-application which must demonstrate that each of the following "threshold" eligibility criteria are met:

- (1) The project is being built by, and the application is being submitted by, an eligible applicant.
- (2) The project is a construction-ready fixed infrastructure project. And, the project is not energy related and/or health clinic related project.
- (3) The project is identified as a top priority in the community's development plan.
- (4) The applicant demonstrates that it has the financial capacity to fund at least one-third (1/3) of the project's cost from other sources.

- (5) The applicant demonstrates that it can provide a cash match of at least ten-percent (10%) of the amount being requested.
- (6) Funding for the remaining project's cost is not available from any other source.

If these criteria are met, the applicant will then be invited to submit a full application. That application will consist of a standardized list of information sufficient to give the review team the information needed to reach a decision. At a minimum, the following will be required from the applicant:

- (1) A detailed project description. Though not required, the project should provide a substantial health and safety benefits and/or must enhance traditional community values.
- (2) A copy of the community's development plan which identifies the project as a top priority.
- (3) Evidence that there is support and consensus within the community, or among the multiple governing entities (municipal versus tribal), and among multiple communities and/or sub-region or region if applicable. Evidence usually consists of a resolution(s) or a document similar in nature.
- (4) A construction budget detailing all major expenditure and sources of revenue. For those projects that require a full summer construction season, applicants should assume that the CPP Program's funds would be available for expenditures through the summer of 2002.
- (5) A construction schedule and description of how the construction is to be accomplished.
- (6) A detailed operating budget for the project's first two years of operation, which reflects all projected expenditures and revenues.
- (7) A detailed description of how the continuing operation, routine maintenance, extraordinary maintenance, equipment replacement, and any and all aspects of maintaining the project for its useful life will be accomplished. And, the applicant must commit to operate and maintain the project for its useful life.
- (8) A description of how community members will be trained and employed in the construction, operation and maintenance of the project. The applicant should show a strong commitment to local hire and utilization of local resources, including the utilization of small, minority owned and disadvantaged businesses. A statement explaining how the project is generally consistent with the Denali Commission Guiding Principles.
- (9) Project review may be required in accordance with the National Environment Policy Act (NEPA) and the National Historic Preservation Act (NHPA). Potential environmental concerns associated with projects funded under this program shall be addressed in consultation with applicable Federal, State, and local authorities.
- (10) Though not required, preference will be given to projects that are within and/or benefit "distressed communities," as defined by the Denali Commission.

Applications will be reviewed on a pass/fail standard and if the application meets all the standards, and CPP Program funding is available, the intent is to approve the application.

Review and recommendation of the applications shall be by a review committee consisting of at least three people whom may be selected from any of the below listed organizations. However, DCED does reserve the right to make the final decision on any application.

Department of Community and Economic Development (DCED)
Alaska Industrial Development and Export Authority
Alaska Housing Finance Corporation
USDA/Rural Development
Housing and Urban Development
First Alaskans Foundation
Economic Development Administration
Denali Commission

FUNDING CYCLE: As long as there is sufficient funding, applications will be solicited, reviewed and determinations of eligibility made on a quarterly basis. This will allow deficient applications to be supplemented and reconsidered within a reasonable time period. Applications will be funded on a first come first serve basis.

Program Development and Implementation Calendar

Early February	Program approval made by Denali Commission Co-chairs.
February - March	Development of application and supporting materials
April	General Notice to potential applicants Training for appropriate state, federal and regional organizations
May 21	Pre application deadline - Round I
June 8	Eligibility determinations made on pre- applications
July 9	Final application deadline - Round I
August 8	Final determinations made on applications – Round I

The cycle would be repeated approximately every 90 days until funding had been exhausted.